GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:2716
ANSWERED ON:17.08.2011
SUPPLY OF COAL
Chanabasappa Shri Udasi Shivkumar

Will the Minister of COAL be pleased to state:

(a) whether Indonesia is the largest supplier of thermal coal to India;

(b) if so, whether the Government of Indonesia and few other countries have recently passed any laws which mandate all parties to sell coal at the market price;

(c) if so, whether such move is likely to affect adversely all existing and future power projects based on imported coal leading to steep increase in power tariff from such projects, and

(d) if so, the details thereof and if not, the reason therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF COAL(SHRI PRATIK PRAKASHBAPU PATIL)

(a): Yes Sir. During the year 2009-10 out of total non coking coal imports of 48.56 mts., Indonesia supplied 31.959 mts.

(b): The new Regulation of Government of Indonesia dated 23rd September, 2010 stipulates benchmark price for coal sale including sale to affiliate companies. The Regulation also stipulates for adjusting within twelve month the contracts negotiated/finalized prior to enactment of the Regulation.

(c) & (d): The Regulation is likely to increase the price of coal in case of projects using imported coal from Indonesia. The impact on the tariff of such projects may vary depending upon the quality of imported coal and the fuel mix.